GOVERNMENT OF INDIA
MINES AND MINERALS
LOK SABHA

UNSTARRED QUESTION NO:2211
ANSWERED ON:07.08.2000
ROYALTY OF MINERALS
TRILOCHAN KANUNGO

Will the Minister of MINES AND MINERALS be pleased to state:

(a) the year in which the royalty on different minerals was revised last alongwith the royalty on each mineral as compared to that of the previous one;

(b) the royalty on minerals received by each of the States during each of the last three years as compared to the royalty received during the corresponding years of the previous royalty revision period;

(c) whether the Government are considering to introduce royalty on ad - valorem basis on each of the minerals; and

(d) if so, the details indicating the time by which it is likely to be done?

Answer

THE MINISTER OF YOUTH AFFAIRS, SPORTS AND MINES(SHRI SUKHDEV SINGH DHINDSA)

(a) The rates of royalty on major minerals(other than coal and lignite) were last revised with effect from 11.4.1997 vide GSR 214(E) dated 11.4.97. These rates are applicable to all States except West Bengal where the rates notified vide GSR 458(E) dated 5.5.87 are in force. The rates of royalty on major minerals i.e. minerals other than minor minerals(defined under Section 3(e) of the Mines and Minerals(Development and Regulation)Act,1957 areprescribed in the Second Schedule to the MMDR Act,1957 by the Central Government. The rates of royalty in respect of minor minerals are prescribed by the respective State Governments under their respective Minor Mineral Concession Rules.The rates of royalty on different major minerals(other than coal and lignite) after and before the 1997 revision is given in Annexure-I.

(b) Royalty is paid both by the Public Sector and PrivateSector directly to the State Government concerned and therefore, the information about royalty collection figures is not centrally maintained.

(c) & (d) The Central Government had constituted a Study Group on revision of rates of royalty and dead rent on major minerals(other than coal, lignite and sand for stowing) on 5.10.1998. One of the terms of reference of this Study Group was to recommend revision of rates of royalty keeping in view, inter alia, need for enlargement of the scope of ad valorem system of royalty. The Study Group has submitted its report in March, 2000 and its recommendations are under consideration of the Government. Necessary follow up action has been initiated in this regard.

ANNEXURE-I.

ANNXURE REFERRED IN REPLY OF PART (a) TO (d) OF LOK SABHA UNSTARRED QUESTION NO.2211 17TH AUGUST 2000 ASKED BY SHRI THRILOCHAN KANUNGO REGARDING ROYALTY OF MINERALS.

S.No.	Mineral	Ore Grade	Rate of royalty (Rs.per tonne) 1992	1997
1.	Agate	-	73	73
2. (i)	Apatite	(a) Ore with more than 27 percent P2O	70	80
		(b) Ore with 20 percent to 27 percent P2O5	40	40
		(c)Ore with less than 20 percent P2O5	70	19
(ii)	Rock Phosphate	(a)Above 30 percent P2O5 on advalorem basis of above 25 % P2O5	152	11% of sale price

	(b)Above 25% P2O5 and upto 96 5%of sale price on 30 percent ad valorem basis		
	(c) Above 20& P2O5 and upto 56 upto 25 percent 25 percent P2O5 P2O5		
	(d)Upto 20 percent P2O5 23		
-			
3. Asbestos	(a) Chrysotile	726	726
	(b)Amphibole	28	31
-			
4. Barytes	(a) White(including snow white andsuper-snow-white)	54	5.5% of sale price on advalorem basis
	(b)Off colour	30	
5. Bauxite	All Grades	34	41
6. Brown Ilmenite (Leucoxene)		113	2% of sale price on ad valorem basis
7 Cadmium		Rs.74 per unit % of cadmium metal per per tonne of ore and on pro rata basis.	Rs.82 per unit % of cadmium of cadmium metal per tonne of ore of ore and on and on pro pro rata basis
8. Calcite		44	48
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9. China clay,also called Kaolin (Including ball clay) and white shale	(a) Crude	14	18
	(b)Processed(Including washed)	62	68
10. Chromite (both lumpy non and concentrates	a)Containing 47% Cr2)3 and above Cr2O3 and more than 40% Cr2O3.	255	7.5% of sale price on advalorem basis for all Ore
	(b)Containing less than 47% Cr2O3 and more than 40% Cr2O3.	135	
	(c)Containing 30% to 40% Cr2O3	90	
	(d)Containing less than 30% Cr2O3.	23	
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11. Copper-Ore		Rs.17 per unit of copper contained per tonne or ore and on pro rata basis.	0.7% of London Metal Exchange metal price on ad valorem basis chargeable per tonne of concentrate produced
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12. Corundum		210	231
13. Diamond		26% of the sale price at the pit`s mouth.	10% of sale price on ad-valorem basis
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14. Diaspore		83	
15. Dolomite		25	28
-			
16 Felspar		15	17
-			
17.Fireclay (including Plastic,pipe lithograhic and		13	17

natural pozzolanic clay)			
19. Fluorspar (also called fluorite)	(a)Containing 85% CaF2 or more	270	2.5% of sale price on ad-valorem basis.
	(b)Containing 70% CaF2 or more but less than 85%CaF2	170	
	(c)Containing 30% CaF2 but less than 70% CaF2.	113	
	(d)Containing 30% CaF2 or less	45	5% of sale price on ad-valorem basis.
20. Garnet(Abrasive)		45	3% of price of ad valorem basis.
21. Gold	(a) Primary Rs. 11 per one gram contained gold per tonne of ore and on pro rata basis.	Rs. 1.5	% of sale price on ad-valorem basis.
	(b) By-product Rs.10 per one gram gold	2.5.%	of sale price on ad-valorem basis.
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22. Graphite	(a)With 80% of more fixed carbon	185	205
	(b)With 40 % or more fixed carbon but less than 80% fixed carbon.	100	110
	(c)With 20% of more fixed carbon But less than 40% fixed carbon.	40	45
	(d)With less than 20% fixed carbon.	25	28
23. Gypsum		20	22
24. Limenite		34	10%
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25. Iron			
(i)Ore lumps			
	(a)With 65 % Fe or more	18	21.5
	(b)With 62% Fe or more but less than 65% Fe	10	12
	(c)With 60% Fe or more but less than 62% Fe	7	8.5
	(d)With less than 60% Fe		
(II)Fines (including natural fines produced incidental to mining & sizing of ore)			
	(a)With 65% Fe or more	13	15.5
	(b)With 62% Fe or more but less than 65% Fe	7	8.5
	(c)With less than 62 % Fe	5	6
(III)Concentrates prepared by beneficiation and/or concentration of low grade ore containing 40% Fe or less.		2.5	2.5
26. Kyanite	(a)Containing 40% Al2O3 and above	85	10%
	(b)Containing less than 40 percent Al2O3.	50	
27. Lead-ore		Rs.80 per unit	4% of London Metal Exchange price on contained lead metal per tonne advalorem basis or ore and on chargeable per pro rata basis tonne of concentrate produced.
28. Limeshell(including calcareous sand and Chalk)		25	10%
29. Limestone	(a)LD Grade(less than 1.5%	50	50

(including lime silica content) kankar			
(b) Others	25	32	
30. Magnesite	25	3% of the sale price on ad-valorem basis.	
31. Manganese-Ore (a) MnO_2 (containing 78% or more of MnO_2 and 4% or below Fe.	107	112	
(b) 46% Mn and above	40	42	
(c) 35 percent Mn and above but below 46% Mn.	23	25	
(d) 25% Mn and above but below 35% Mn.	17	17	
(e) Below 25% Mn.	7	7	
(f) Concentrate	2		
32. Mica (a) Crude Mica	Rs.34 per 100 kg.	4% of sale price on advalorem basis.	
(b) Waste and scrap Mica	Rs.14 per 100kg.		
33. Monazite	113	125	
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34. Nickel-ore	Rs.2.50 per unit of contained nickel metal per tonne of ore and on pro rata basis	Rs.2.25 per percent of contained nickel metal per tonne of ore and on pro rata basis.	
35. Ochre	10	11	
36. Precious and semi precious stones (except agate and diamond)	20% of the sale price at the pit`s mouth	10% of the sale price at the pit`s mouth.	
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37. Pyrites	Rs.0.60 per unit of sulphur per tonne of ore and on pro rata basis	Rs.0.65 per percent unit of sulphur per tonne of ore and on pro rata basis.	
38. Pyrophyllite	22	24	
39. Quartz, Silica sand and moulding sand and Quartzite.	12	13	
40. Rutile	225	2% of sale price on ad-valorem basis.	
41. Sand for stowing	0.4	3	
42. Selenite	50	50	
43. Sillimanite	90	2.5% of sale price on ad valorem basis.	
44. Silver	Rs 340 per kg. of metal	5% of sale price on ad valorem basis.	
45. Slate	40	40	
46. Talc, Steatite and Soapstone (a) Insecticide grade	23	25	
(b) Other than insecticide grade.	56	65	
47. Tungsten	Rs.33 per unit percent of contained WO_3 per tonne of ore and pro rata basis	Rs.20 per unit percent of contained WO_3 per tonne of ore and pro rata basis.	

48. Uranium for dry ore	(a) Rs.3.50 for dry ore with U3O8 content of 0.05% with pro rata increase/ decrease at the rate of Re.1.00 per tonne of ore for 0.01 percent increase/ decrease.	Rs.5 for dry ore with U3O8 content of 0.05 percent with pro rata increase/ decrease at the rate of Rs.1.5 per metric tonne of ore for 0.01 percent increase/ decrease.	-
49. Vermiculite	28	25	-
50. Wollastonite	80	10% of sale price at the pit`s mouth.	
51. Zinc-ore	Rs.16 per unit of zinc metal contained in tonne of ore and on pro rata basis	3.5% of London Metal Exchange metal price per chargeable per cent metal price on advalorem basis concentrate produced.	-
52. Zircon	180	2% of sale price at the pit`s mouth.	-
53. All other minerals not here-in-before	12% of sale price at the pit`s mouth.	10% of sale price on advalorem basis.	